



# Monthly Bulletin

Volume 12, Number 5

November 2008

## DFI San Francisco Office to Relocate December 8

On December 8, 2008 the Department of Financial Institutions (DFI) San Francisco Office will relocate from 111 Pine Street, Suite 1100 to 45 Fremont Street, Suite 1700, San Francisco, CA 94105-2219. Telephone numbers will remain the same, except for the fax numbers listed below:

	<u>Old fax number</u>	<u>New fax number</u>
Credit Union	415-399-9515	415-263-8509
Executive	415-989-5310	415-288-8830
Information Technology	415-397-9021	Not applicable
Strategic Support	415-288-8836	415-288-8830
Transmitters of Money Abroad	415-397-4623	415-263-8508

Every effort is being made to ensure that this move is accomplished smoothly, however you may experience longer than average response times during this period. Thank you for your consideration.

## DFI Approves Ford Group State Charter

On November 17, 2008, DFI received and approved the application to organize the Ford Group Bank (In Organization). Under long-established expedited application procedures in place at DFI, the bank was approved for the purpose of purchasing the assets and assuming the liabilities of failing financial institutions from the Federal Deposit Insurance Corporation (FDIC) in its capacity as receiver of those failed institutions. This same-day filing and approval demonstrates the responsiveness of the DFI to help minimize the disruption to the financial system and facilitate the orderly resolution of troubled banks.

If the Ford Group Bank (In Organization) is the successful bidder, it will be required to meet certain conditions of approval both prior to and subsequently after opening for business. Further inquiries about DFI's expedited procedures should be addressed to Senior Deputy Commissioner & Chief Examiner Craig Carlson at [ccarlson@dfi.ca.gov](mailto:ccarlson@dfi.ca.gov) or 619-682-7222.

111 Pine Street, Suite 1100, San Francisco, CA 94111-5613  
300 South Spring Street, Suite 15513, Los Angeles, CA 90013-1204  
1810—13<sup>th</sup> Street, Sacramento, CA 95811  
7575 Metropolitan Drive, Suite 108, San Diego, CA 92108-4421  
Consumer Compliance

(415) 263-8500  
(213) 897-2085  
(916) 322-5966  
(619) 682-7227  
(800) 622-0620

## Liquidation of Security Pacific Bank

On Friday, November 7, 2008, the Commissioner of Financial Institutions took possession of Security Pacific Bank and ordered that it be liquidated. The Commissioner then appointed the Federal Deposit Insurance Corporation (“FDIC”) as Liquidator, and the FDIC accepted the appointment. All deposit accounts were transferred to Pacific Western Bank, Los Angeles. On Monday, November 10, 2008, the former Security Pacific Bank locations reopened as branches of Pacific Western Bank.

## Premium Finance Company Assessment

In accordance with Financial Code Sections 18350, 18351, and 18352, the Commissioner of Financial Institutions assessed all California insurance premium finance companies in order to fund the operations of the Department of Financial Institutions in administering the laws relating to insurance premium finance companies. Invoices for the assessment will be mailed on December 1, 2008. The assessment must be paid in full by December 21, 2008.

For the purposes of this assessment, the base rate is set at 0.0075 percent of each insurance premium finance company’s total assets. The amount of the assessment on each insurance premium finance company is calculated in accordance with Financial Code Sections 18350 and 18351. The minimum amount for any institution is \$250. For purposes of calculating the assessment, the total assets of each insurance premium finance company have been determined as of December 31, 2007.

## Examination Procedures Adopted for Identity Theft

The Department of Financial Institutions (DFI) expects all depository licensees to familiarize themselves with the identity theft “Red Flags Rule” (Rule) and to make necessary adjustments to their systems and internal controls by the mandatory compliance date. On November 9, 2007, the federal banking agencies and the Federal Trade Commission published final rules and guidelines in the Federal Register (72 FR 63718) pursuant to the Fair and Accurate Credit Transactions Act of 2003 (FACT Act). The Rule addresses the duties of depository institutions regarding the detection, prevention, and mitigation of identity theft. The guidelines include a supplement that identifies 26 patterns, practices, and specific forms of activity that are “red flags” signaling possible identity theft. The Rule took effect on January 1, 2008, and except for state-chartered credit unions, compliance is required by November 1, 2008. The Federal Trade Commission, which is the designated enforcement agency for state-chartered credit unions, announced on October 22, 2008 the suspension of enforcement of the new Rule until May 1, 2009.

The Federal Financial Institutions Examination Council (FFIEC) recently approved interagency examination procedures to assist regulatory examiners in reviewing compliance with the Rule. FDIC Financial Institution Letter FIL 105-2008 and NCUA Letter to Credit Unions 08-CU-24 provides the FFIEC examination procedures to assist financial institutions in implementing the Rule. As part of the risk-focused IT/E-Banking Examination Program, DFI examiners will review our depository institutions for compliance with the Rule during selected examinations commencing after November 1, 2008 (banks) or May 1, 2009 (credit unions).

If you have any questions about the IT/E-Banking Examination Program for banking institutions, please contact Deputy Commissioner Doug Kirkpatrick at (213) 897-2223 email: [dkirkpatrick@dfi.ca.gov](mailto:dkirkpatrick@dfi.ca.gov); or IT/E-Banking Program Manager Richard Schorr at (213) 897-2225; email [rschorr@dfi.ca.gov](mailto:rschorr@dfi.ca.gov). For State-chartered credit unions, please contact Chief Examiner T. Bert McLane at (213) 897-9351; email: [bmclane@dfi.ca.gov](mailto:bmclane@dfi.ca.gov), Program Manager Joni Kimbrell (Southern California) at (213) 897-2168; email: [jkimbrell@dfi.ca.gov](mailto:jkimbrell@dfi.ca.gov), or Program Manager Lana Tom (Northern California) at (415) 263-8557; email: [ltom@dfi.ca.gov](mailto:ltom@dfi.ca.gov).

## Commercial Bank Activity

### New Bank

Banco Buena Ventura

143 West Fifth Street, Oxnard, Ventura County

(805) 822-5500

(805) 822-5501 (fax)

Officers: James F. Montgomery, Chairman of the Board and Chief Executive Officer

Enrique Rodriguez, Jr., President and Chief Credit Officer

Diana A. Sherwood, Executive Vice President and Chief Financial Officer

Capitalization: \$10,014,292.00

Website: <http://www.bancobuenaventura.com>

Opened: 11/7/08

Banco del Tepeyac

2629 Clarendon Avenue, Huntington Park, Los Angeles County

Correspondent: Maryam Hamzeh

Carpenter & Company

5 Park Plaza, Suite 950

Irvine, CA 92614

(949) 261-8888

Withdrawn: 11/14/08

Ford Group Bank

3501 Jamboree Road, Newport Beach, Orange County

Correspondent: Charles E. Greef and Brian R. Marek

Hunton & Williams LLP

1455 Ross Avenue, Suite 3700

Dallas, TX 75202

(214) 468-3331 or (214) 468-3351

Filed: 11/17/08

Approved: 11/17/08

**New Bank (Continued)**

Royal Business Bank  
660 South Figueroa Street, City and County of Los Angeles  
(213) 627-9888  
(213) 623-5888 (fax)  
Officers: Alan Thian, President and Chief Executive Officer  
Richard Voake, Executive Vice President and Chief Credit Officer  
Peggy Anne Hansen, Executive Vice President and Chief Financial Officer  
Capitalization: \$70,989,250.00  
Website: <http://www.royalbusinessbankusa.com>  
Opened: 11/18/08

**Merger**

Service 1st Bank, Stockton, to merge with and into Central Valley Community Bank, Fresno  
Effected: 11/12/08

**Acquisition of Control**

Murray Pasternack, to acquire control of Capital Bank  
Approved: 11/10/08

## **Industrial Bank Activity**

**Conversion to State Charter**

Silvergate Bank, La Jolla, to convert to state-chartered commercial bank  
Expired: 7/2/08

Silvergate Bank, La Jolla, to convert to state-chartered commercial bank  
Filed: 11/25/08  
Approved: 11/25/08

Tamalpais Bank, San Rafael, to convert to state-chartered commercial bank  
Filed: 11/12/08  
Approved: 11/13/08

## Premium Finance Company Activity

### **New Premium Finance Company**

Red Rock Premium Finance Co., Inc.  
8530 La Mesa Boulevard, La Mesa, San Diego County  
Opened: 11/7/08

### **Acquisition of Control**

NSK Enterprises to acquire control of Fulcrum Capital Strategies, Inc.  
Approved: 11/20/08

## Credit Union Activity

### **Field of Membership**

One credit union received approval to add one new field of membership during October 2008.

### **Variance**

One credit union received approval for request for variance to sections of the California Code of Regulations during October 2008.

### **Bylaw Amendment**

Three credit unions received approval for four bylaw amendments during October 2008.

### **Merger**

E1 Financial Credit Union, Monterey Park, to merge with and into NuVision Financial Federal Credit Union, Huntington Beach  
Filed: 11/13/08

Pacific Coast Credit Union, Costa Mesa, to merge with and into Financial Partners Credit Union, Downey  
Filed: 11/4/08

# Transmitter of Money Abroad Activity

## Voluntary Surrender of License

G&T Continental Transferencias Mundiales, Inc.  
Effected: 9/15/08

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WILLIAM S. HARAF  
Commissioner of Financial Institutions

Bulletin for Month ended  
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to Financial Code section 258



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